

EXHIBIT 1

1 UNITED STATES BANKRUPTCY COURT
2 DISTRICT OF DELAWARE
3
4 IN RE: Chapter 11
5 THE DOLAN COMPANY, et al, Case No. 14-10614 (BLS)
6 Debtors. Courtroom No. 1
7 824 Market Street
8 Wilmington, Delaware 19801
9 Friday, May 2, 2014
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11 TRANSCRIPT OF TELEPHONIC CONFERENCE
12 BEFORE THE HONORABLE BRENDAN L. SHANNON
13 UNITED STATES BANKRUPTCY JUDGE
14
15 APPEARANCES VIA TELEPHONE:
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1 on their own basis.

2 Your Honor, we received, essentially, a blanket
3 refusal from Bayside to provide these documents. I know that
4 counsel mentioned today a concern regarding disclosing
5 proprietary information. If he -- I don't believe he raised
6 that earlier with me.

7 But I should point out that the parties are very close
8 to finalizing a confidentiality agreement that will be
9 presented to the Court for so ordering that will protect those
10 documents, to the extent that there really are proprietary
11 materials there.

12 These are central issues to this case. You know, the
13 valuation of the company and the good faith of the plan
14 proposal will be key at the hearing. We think that Bayside
15 really shouldn't be allowed to hide the ball here. They may
16 well have in their files valuation materials that can
17 contradict what has been presented to the Court, or otherwise
18 provide information that will be useful in analyzing and
19 critiquing that valuation.

20 THE COURT: Let me ask you a question, Mr. Dash. I
21 understand -- I don't know that I've dealt with this question
22 in precisely this context, but I've certainly seen it a number
23 of times in a sale context, where parties want to get a buyer's
24 information, and particularly, perhaps more importantly, a
25 buyer's allocation of the value that it's proposing to certain

1 different assets, for reasons that we don't need to go into,
2 but sometimes there's a reason.

3 And the approach that at least I've taken, and I
4 believe courts have typically taken, is that, in that
5 situation, the buyer's assessment or determination of value is
6 not an appropriate area of inquiry, particularly given that the
7 burden that's before the Court -- and in this case, the burden
8 would be a plan confirmation burden, that would obviously
9 embrace valuation, but that the burden rests with the debtor,
10 not with Bayside.

11 I understand the point that, obviously, Bayside is not
12 sitting in this as a third-party, disconnected bidder that's
13 simply come to an auction table and put cash on it. But given
14 that the burden rests with the debtor, is Bayside's
15 information, frankly -- its analysis, I can understand why you
16 may want it. But it is really, in fact, appropriate to the
17 inquiry that we have?

18 MR. DASH: We believe it is, Your Honor, both as
19 evidence relating to the confirmation hearing, and in
20 connection with the claim objection that was filed yesterday.

21 You know, Bayside is clearly the driving force behind
22 the RSA. Bayside clearly positioned itself to demand that this
23 plan be proposed and the schedule on which it is to be heard by
24 the Court came out of it.

25 You know, Your Honor, the -- as set forth in some

1 documents on that, I'm going to confer against with Mr. Dash.

2 But on the other stuff, I think it's just simply
3 unfair and unnecessary to impose that type of expense and
4 burden on the estate and on our client in responding to what
5 are very, very broad discovery requests.

6 THE COURT: Okay. I understand.

7 All right. Here's what we're going to do. As I
8 understand it, I -- as I said, I have not seen the claim
9 objection, so, of course, I'm not going to be dealing with that
10 issue.

11 With respect to the documents, I would note the
12 following:

13 First, I think, as a general proposition, the
14 principle that Bayside's analysis or evaluation of the -- or
15 valuation, prepetition or otherwise, of the debtor, I don't
16 believe is an appropriate area of inquiry. I'm -- so I will
17 tell you that that is my strong instinct right now.

18 And again, I appreciate getting on the phone with
19 parties. I have not had an opportunity to have the issue
20 briefed, and I'm not necessarily inviting that right now. I
21 will tell you what my thoughts are.

22 I don't believe that inquiry into Bayside's valuation
23 and assessment of the value of this company and its various
24 components -- first of all, I agree with Mr. O'Donnell; I don't
25 believe that it is a discrete or narrowly focused inquiry; and

1 that, as a practical matter, it would be both extensive and
2 expensive, and that is part of the analysis.

3 I also think that it is of limited relevance to the
4 inquiry, as the burden rests with the debtor to demonstrate the
5 value of the company. And while it may be appealing to use as
6 an opportunity to cross-examine, perhaps, the debtors' witness
7 some information obtained from Bayside, asking that witness,
8 well, isn't it true that your secured lender believes the
9 company is worth X or Y or more, again, I think that that is
10 less of an appropriate exercise in the -- in evaluating the
11 burden, and focusing particularly on the inquiry that we're
12 doing. So I am not prepared to direct or require Bayside to
13 provide documents responsive to inquiries about its own
14 internal assessments of the value of the debtor.

15 I will say that I feel, perhaps, even more strongly on
16 the issue of Bayside's assessment, analysis, or thought process
17 determining -- as to determinations that would relate to other
18 businesses in the same line of inquiry. Again, I understand or
19 appreciate as a general proposition why that might be of
20 interest. To me, that is of only the most limited significance
21 and, again, would seem to me to raise both cost and delay
22 concerns.

23 But more significantly, that would clearly raise
24 issues regarding confidentiality and sensitive business
25 information, as to transactions that are not before the Court